

BEIJING REVIEW

- Importing Technology: Plans Readjusted, Policy Unchanged
- Letters From "Beijing Review" Readers (a new column)



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COVER: The Douhe Thermal Power Station on the outskirts of Tangshan, with equipment imported from Japan, has been completed. (Left): Japanese specialists and Chinese technicians inspecting the equipment. (Right): Four turbogenerator sets with a total capacity of 750,000 kw.

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CHRONICLE

July 18

● China's first experimental centre for high energy physics will be built in the vicinity of the Ming Tombs in Beijing, Xinhua News Agency reported. Fabrication of models of the many component parts for a 50-GeV. proton synchrotron and experimental physics research have already swung into high gear.

● Comrade Li Xiannian met with a friendship delegation of the Korean Workers' Party headed by Kim Hwan, Member of the Political Committee and Secretary of the Central Committee of the Korean Workers' Party. In their talks, both sides expressed satisfaction with the rapid development of friendly co-operation between the two Parties, the two countries and the two peoples and expressed the determination to further develop this close relationship.

July 19

● In his meeting with a visiting French delegation headed by Minister of Industry Andre Giraud, Vice-Premier Li Xiannian said that the economic and trade co-operation and friendly relations between the two countries would be further strengthened. The Minister said that the French Government and people attached great importance to the visit Premier Hua will pay to France this year. He also expressed his country's willingness to co-operate with China in the fields of coal, petroleum, electronic information and metallurgical machinery.

● Ye Jianying, Chairman of the Standing Committee of the National People's Congress, and Hua Guofeng, Premier of the State Council, cabled Saddam Hussein, congratulating him on his assumption of the Presidency and Premiership of the Republic of Iraq.

July 20

● In a message sent to the Director-General of the Red Cross Society of Taiwan, the Red Cross Society of China expressed readiness to help Taiwan compatriots contact relatives and friends on the mainland and suggested that negotiations concerning this problem be held between the two sides.

July 22

● The Chinese Foreign Ministry sent a note to the Vietnamese Foreign Ministry strongly protesting against Vietnamese troops killing and wounding peaceable Chinese inhabitants in Maguan County of Yunnan Province.



Half-Yearly Industrial Production

China's total industrial output value in the first six months of this year went up by 4.1 per cent over that of the corresponding period of last year.

Output of 79 of the 100 major products, including crude oil, natural gas, chemical fertilizer, motor vehicles and internal combustion engines, registered varying degrees of increase. Among these, output of electricity, synthetic ammonia, power generating and metallurgical equipment, high-precision machine tools, tractors, walking-tractors and 48 others rose by more than 8 per cent.

Special efforts were made in developing the power industry, a weak link in the national economy. In the first half of this year, 134,300 million kwh. of electricity were generated, which was a 10.9 per cent increase over that of the same period of last year. A number of generating sets were installed and commissioned since January, but the aforementioned increase was achieved mainly by tapping the potential of existing installations.

Production of crude oil met 49.5 per cent of the state annual plan and was 3.6 per cent higher than that of the same period of last year, while the output of natural gas upped by 7.3 per cent. Geological prospecting made headway too, and a number of oil and gas flows were discovered in north China and in Shandong Province, the Bohai Bay and the South China Sea.

Output of major raw materials and semi-finished products such as steel, rolled steel, pig iron, cement, timber, non-ferrous metals, sulphuric acid and soda ash outstripped the half-yearly quotas. Of these, output of steel, rolled steel and pig iron fulfilled 53 per cent or more of the annual plan. Output of steel was 17 million tons and rolled steel 12.2 million tons, or 7.9 and 15.4 per cent higher than in the corresponding period of last year.

Output of bicycles, sewing machines, wristwatches, TV sets and other consumer goods increased by big margins. Over 500,000 TV sets were turned out, 2.2 times the figure for the first six months of last year. There were also increases in the production of sugar, cotton cloth, cotton yarn, chemical fibres and other light industrial goods.

The factories and enterprises have raised the quality of their products, with greater variety and reduced consumption of fuel and raw materials.

The 1979 state plan for industrial production envisages an 8 per cent increase over last year, with light industry and heavy industry up 8.3 and 7.6 per cent respectively. This calls for unremitting efforts in the second half of this year. At present, a campaign for increasing production and practising economy is being carried out across the land.

Rapid Expansion of Foreign Trade

China's imports and exports in the first half of this year totalled 21,300 million yuan, a

43.2 per cent rise compared with the same period of last year. Exports accounted for 9,500 million yuan, an increase of 26.8 per cent, and imports 11,800 million yuan, an increase of 59.9 per cent.

There were marked increases in the prompt delivery of a number of major imported goods. The import of new technology, complete sets of equipment and general machinery increased by 130 per cent, rolled steel and non-ferrous metals by 83 per cent, chemical fertilizer by 20 per cent, and cotton and synthetic fibre by 34 per cent. Increases were also registered in the import of grain, edible oil and granulated sugar.

The volume of goods purchased for export was 26.2 per cent more than in the corresponding period of last year.



Products of the Tianjin Blanket Factory ready for export.

The commodities were better in quality, with an increase in variety and improvement in packaging. Contracts signed in the first six months for export of Chinese products rose in value by 43 per cent over the same period of last year.

The total value of imports and exports for this year is planned to be 44,000 million yuan, with 19,200 million yuan for exports and the rest for imports. Last year the total value was 35,500 million yuan, or an increase of 30.3 per cent over 1977.

Li Xiannian Welcomes Foreign Investment

In his meeting on July 17 with a visiting U.S. industrial research delegation, Vice-Premier Li Xiannian said that foreign corporations were welcome to invest in China and that the principle of equality and mutual benefit would be followed in running the joint enterprises, allowing the foreign partners to make profits.

The law on joint Chinese and foreign enterprises recently adopted was not perfect, Vice-Premier Li said. But it showed China's desire to co-operate with friends from other countries.

The Vice-Premier stressed that in carrying out socialist construction, China adheres to the policy of independence and self-reliance, but funds and advanced technology from abroad will also be absorbed.

"China does not confine herself to the established international practice of 51 per cent and 49 per cent," Vice-Premier Li added. "The proportion of investment by foreign com-

panies can be higher than 50 per cent, and the duration may be ten years, 20 years or even longer." He said that foreign investors can send abroad the profits they have earned from the joint enterprises so long as they abide by the Chinese law and tax policy.

The American delegation, sponsored by the Stanford Research Institute International (SRI) and led by Dr. Weldon B. Gibson, Executive Vice-President of SRI International, arrived in Beijing on July 10.

Improving the Party's Work Style

A major topic of discussion when the Party's anniversary came round on July 1 was how to rectify and improve the working style of the Chinese Communist Party.

Founded 58 years ago, the Communist Party of China has in the long years of struggle built up a fine style of work with these characteristics: seeking truth from facts, following the mass line, being modest and prudent, observing democracy, working hard and serving the people wholeheartedly. Comrade Mao Zedong summed up all this essentially as the style of integrating theory with practice, forging close ties with the people and practising criticism and self-criticism. That is why the Party is full of vigour and vitality and able to maintain close ties with the people and keep its revolutionary quality as a proletarian party.

The Test. Marx and Engels pointed out that after the proletariat has seized political power, measures must be

taken to prevent its state employees from seeking high posts and personal gains. The Chinese Communist Party which became the ruling political party 30 years ago inevitably has to face this test.

In the past, before the Party seized political power, Party members maintained fish-and-water relations with the people. Whenever they were sent to a place to carry out revolutionary activities, they always made a point of becoming one with the masses. Without the support of the people, it would be impossible for them to carry out their revolutionary work and their very lives would be in danger.

The Chinese Communist Party is the ruling party today. Should its members be servants or lords of the people? This is a serious test facing a Communist Party with a fairly high proportion of members of petty-bourgeois origin in an economically and culturally backward country which was under feudal rule for many centuries.

In the early years after the founding of the People's Republic in 1949, Comrade Mao Zedong repeatedly enjoined members of the whole Party not to become dizzy with success after victory and lose their revolutionary qualities. A nationwide movement was carried out in the early 1950s against corruption, waste and bureaucracy, and the prestige of the Party was further enhanced.

Manifestations of Unhealthy Tendencies. However, the work style of the Party cannot but reflect life in society, and in turn it exerts a great influence

on society. During the years when Lin Biao and the gang of four were doing everything possible to destroy the Party and the country, the Party's fine style of work suffered badly. Half the present membership of the Party was admitted during those ten years of turmoil and some of them to varying degrees have been influenced by non-proletarian ideas. As to the veteran Party members, a few have ignored the Party's fine traditions. Some manifestations of the unhealthy tendencies among them are:

- **Bureaucracy.** Forgetting that Party members should serve the people, they do not show any concern for the interests and well-being of the masses. They assume an irresponsible attitude, do not bother to distinguish right from wrong, and sometimes go so far as to turn the units under their charge into independent kingdoms, suppressing democracy and violating the law.

- **Seeking prerogatives.** They seek special privileges for themselves and their families and relatives, violating financial regulations, squandering state funds and even engaging in graft, embezzlement and bribery.

- **Factionalism.** Whatever they do, they go by factional interests instead of Party principles. They attack some people while shielding others, using factionalism to consolidate their own positions of leadership.

Work Style and Four Modernizations. Though these unhealthy tendencies are manifest in only a few Party members,

they have very bad effects. They sap the Party's strength and affect its prestige and inevitably dampen the enthusiasm of the masses. Thus the Party's style of work must be rectified and improved.

- **First, ideological rectification.** Recently, the Central Commission for Inspecting Discipline Under the Party Central Committee worked out "Some Guiding Principles for Political Life Inside the Party" which will be used as study material by Party organizations at all levels for carrying out an extensive movement to rectify the working style of the Party.

- **Improve various kinds of Party rules and regulations** governing the implementation of democratic centralism, the election of deputies to Party congresses and members of Party organizations at various levels, the system of work and the system of inspecting discipline.

- **Strengthen the supervision** of Party members and the masses over the cadres.

- **Handle in all seriousness** cases of violations of Party rules and regulations, and ensure that all Party members are equal before Party discipline. Good Party members should be commended.

Rectifying the Party's working style will unite the people of the whole country still closer round the Party. With everyone working with one mind, the magnificent goal of the four modernizations will certainly be accomplished.

"House-Building" Spree Under Fire

Over 50 neatly-arranged houses stood conspicuously on

a plot of land owned by a production brigade in Yingxian County in north China's Shanxi Province. They were houses built for the heads of various departments under the county Party committee, secretaries of commune Party committees, directors of various bureaux and factories, the head of the county hospital, and other leading comrades. The local people nicknamed this area the "authority street."

In his letter to *Renmin Ribao*, a worker in the county farm machinery company disclosed its inside story. The building of these houses, he wrote, started during the spring ploughing and continued for one month. The local authorities commandeered practically all the trucks in the county and used the tractors of the communes and production brigades for transporting building materials. Some 20 people were engaged in building each house. The building spree soon spread to the villages, involving the bulk of able-bodied peasants. Those who were left behind stayed at home and were unwilling to work in the fields. It was unusually cold last spring in Yingxian County, so the lack of able-bodied people working in the fields added difficulties to the spring ploughing there.

Wilful occupation of farmland for building private houses, the letter said, is against the Party's policies. What's more, the county Party committee requisitioned vehicles and labour force in spite of the busy farming season. These leading comrades have often told us that we must observe discipline and abide by the laws and be selfless. But they themselves

have abused the power in their hands to seek private gains.

Renmin Ribao published this letter under the headline "Stop This Unhealthy Tendency." The promulgation of the new laws recently has greatly encouraged the people. Everyone now realizes the necessity to abide by the laws and that before the law no one is entitled to special privileges. The people can now use the laws to exercise supervision over Party and state organs and any individual. Whoever violates the law will be prosecuted and punished.

Guidelines for Economic Development in Jiangsu

In implementing the general policy for readjusting the national economy, all provinces must pay attention to the relationship between agriculture, light and heavy industries and develop them in that order. This is something they have in common. But in drawing up plans and deciding on the course of its economic development, each province must take into consideration its own actual conditions. At a recent working conference Xu Jiatun, first secretary of the Jiangsu provincial Party committee, listed five guiding principles for readjusting and developing the economy in Jiangsu. His speech is typical and illustrative.

In agriculture, Jiangsu is noted for its relatively high per-hectare yield. It has a large population but limited arable land, averaging about one-fifteenth of a hectare per

person. In industry most of the enterprises are small and medium-sized and are fairly developed, producing two-thirds of the province's chemical fertilizer, insecticides and cement and one-third of its coal. In view of this situation, the guidelines for developing the economy in Jiangsu are:

— Adhere to the principle of combining large enterprises with small and medium-sized ones and "walking on two legs." In other words, while building large modern enterprises, the province should actively develop the small and medium-sized ones which are less advanced in equipment and technology at present. Apart from the contributions made by the large, key enterprises, Jiangsu owes its fairly rapid industrial development in recent years to these small and medium-sized enterprises;

— Simultaneously develop state industrial enterprises and collectively owned ones. The latter make up 82.7 per cent of existing enterprises in the province and are developing at a faster pace, employing 40.5 per cent of Jiangsu's total number of workers and staff members;

— In rural people's communes, efforts should be made to combine farming with sideline occupations and industry; in the future, they should develop in a direction so as to incorporate commerce as well. Experience should be acquired in combining farming, fishery or forestry with sideline occupations, industry and commerce so as to change fundamentally the relations between industry and agriculture and between city and countryside and bring about



Walking tractors produced in Wuxi County ready for shipment.

a quicker development of agriculture;

— Combine adjustment in planning with regulation of the market. With adjustment in planning as the pre-condition, make full use of the role of regulation of the market so as to make up for the lack of flexibility of relying solely on adjustment in planning;

— Combine the import of advanced technology from abroad with the people's creativeness and tap to the full the potential of existing enterprises.

Encyclopaedia Sinica

Preparations are being made for compiling an *Encyclopaedia Sinica*, the first of its kind in Chinese history. Jiang Chunfang who is in charge of the

work recently wrote an article explaining some aspects of this endeavour.

The encyclopaedia will be a magnum opus of 50 to 60 volumes with Chinese characteristics for college students or readers of the same cultural level. A smaller and more concise edition and other kinds of encyclopaedias will also be brought out.

The planned encyclopaedia will be published in separate volumes dealing with particular branches of knowledge. All the items in each branch (in one or more volumes) will be arranged in the order of the Chinese phonetic alphabet. There will be a general survey and a classified table of contents at the beginning of a volume or volumes on a particular subject, and at the end there will be an index in the order of the number of strokes of the Chinese characters and another index of analyses of contents for ready reference.

To facilitate the compilation of this encyclopaedia, a library series entitled *Encyclopaedic Knowledge* will be brought out, the plan being to publish one issue every month or every two months, carrying tentative items and related reference materials to be used in the encyclopaedia, so as to solicit opinions and comments from readers. These items (or articles on special topics) cover a wide range of subjects, including natural science, applied science, social science, literature and art, culture and education. Information on the works of the same kind in foreign countries and sample items, as well as articles by authors, editors and readers discussing the work of

compiling this encyclopaedia, will also be published.

The first issue of *Encyclopaedic Knowledge* came off the press on May 1 this year. The second issue will include "Historical Facts on the Founding of the Chinese Communist Party" and "Periodization of the History of Chinese Literary Criticism."

Although there never was in Chinese history any encyclopaedia in the modern sense, there are several hundred kinds of reference books of a similar nature compiled throughout the ages, such as collections by scholars on various branches of knowledge. The famous ones include *Yi Wen Lei Ju* (Collection of Literature and Art) of the Tang Dynasty (618-907), *Tai Ping Yu Lan* (Encyclopaedia of the Tai Ping Period) of the Song Dynasty (960-1279), *Yong Le Da Dian* (Great Encyclopaedia of the Yong Le Period) of the Ming Dynasty (1368-1644), *Gu Jin Tu Shu Ji Cheng* (Ancient and Modern Library Series) and *Si Ku Quan Shu* (Imperial Encyclopaedia of Qian Long) of the Qing Dynasty (1644-1911). The last one, comprising 79,337 volumes in 3,503 parts, was compiled by Ji Xiaolan and others between 1772 and 1782.

Not "Survival of the Fittest"

The Zangshu People's Commune in east China's Wuxian County has been praised for setting up a factory for the aged and handicapped.

Of the commune's 23,000 members, 230 of them, or 1 per

cent, are blind, lame, infirm or handicapped by ill health and are unfit to take part in agricultural production. Though most lived with their kinsfolks, they were unhappy for not being able to earn their own living and do their part in socialist construction.

In July 1972, the commune set up a factory where these people could do various kinds of work according to their physical condition, such as knitting, sewing, mending, repairing, and making paper or cardboard boxes. Formerly relying on relief or subsidies, these people now earn a living by their own labour. This has greatly reduced the burden of the commune and their families. Thanks to good management, the factory has accumulated 340,000 yuan for the commune in the past 6 years, and the annual income of each person working in this factory is approximately the same as that of the average peasant in the commune.

The principle of "to each according to his work" and more pay for more work is followed in China today. He who does not work of course gets no pay. This, however, does not mean "survival of the fittest." In the cities, the aged and the disabled are entitled to various kinds of relief or subsidies in case of need, and in the countryside, those who have no dependents are supported by the rural people's communes which have special funds for public welfare. Back in the 1950s when the movement for agricultural co-operation was carried out, the system of "five guarantees" was instituted, under which the aged and the disabled having no one

to rely on were guaranteed food, clothing, housing, medical care and burial expenses by the collective. Apart from these, a number of old and disabled people were supported by their relatives. Now with this factory set up by the commune, they are economically independent.

Protest Against Soviet Border Provocation

The Chinese Foreign Ministry in a note to the Soviet Embassy in Beijing on July 24 lodged a strong protest with the Soviet Government against the premeditated border provocation and serious incident of bloodshed by Soviet frontier soldiers on July 16. The Soviet soldiers lay in ambush at the Sino-Soviet border in the Tersadi area, Tacheng County, Xinjiang Uygur Autonomous Region, fired at and killed and wounded Chinese citizens.

The note said: "On July 16, 1979, twenty-odd fully armed Soviet frontier soldiers, lying in ambush at the Sino-Soviet border in the Tersadi area, Tacheng County, Xinjiang Uygur Autonomous Region, fired at Li Baoqin, a cadre, and Burumbutug, a veterinary, of the Five Star Stock Farm of Tacheng County, who were there to inspect the pasture, a normal production activity. They killed Li Baoqin and wounded Burumbutug on the spot and then intruded into Chinese territory and carried Li Baoqin's body and the wounded Burumbutug into Soviet territory."

"After the incident," it continued, "resorting to the mean trick of 'the villain making the charge first,' the

Soviet side on July 17 made a verbal statement to the Chinese Embassy in the Soviet Union, falsely accusing the Chinese personnel for trespassing the boundary. This was an outright distortion of the facts and confounding black and white. It must be pointed out that the said area is not a disputed area, for the boundary alignment there is clear. The Soviet side is fully aware of the fact that each year in the pasturing season Chinese herdsmen graze their sheep and cattle on the Chinese side of the boundary line in this area. Now the Soviet frontier soldiers deliberately laid an ambush and suddenly fired at Chinese citizens on Chinese territory, and afterwards the Soviet side took a prompt diplomatic action. This shows that the said serious incident of provocation and bloodshed was wholly pre-arranged by the Soviet side."

The note added: "Since the beginning of this summer, Soviet soldiers have often intruded into Chinese territory to interfere with and disrupt the productive activities of Chinese herdsmen. For instance, on June 30 a Soviet military helicopter intruded into the air over the area of the source of the Uzuntush River in Akqi County, Xinjiang Uygur Autonomous Region, China and circled at low altitude to disperse Chinese flocks. The Soviet side also pulled down Chinese herdsmen's living and production facilities such as houses and sheep-pens in the said area. On all these occasions the Chinese side made representations to the Soviet side at the frontier meetings. This shows that all these Soviet activities are not isolated or ac-

cidental but are designed to create tension and threaten the safety and life of the Chinese border inhabitants.

"As for the Soviet charge in its oral statement that in other sections of the Sino-Soviet border Chinese herdsmen crossed the border for pasturing under the protection of Chinese soldiers, that was sheer fabrication.

"The Chinese Government seriously demands that the Soviet Government stop all intrusions and provocations along the border, immediately hand over Burumbutug, the Chinese citizen who was wounded and carried away by Soviet frontier soldiers, punish the culprits of the bloodshed at Tersadi, compensate all the losses of the deceased and the wounded and take effective measures to guarantee against the occurrence of similar incidents in the future."

The note concluded: "The Soviet side has deliberately created a border incident of provocation and bloodshed at a time when concrete arrangements are being discussed for negotiations on the relations between China and the Soviet Union. This cannot but draw the serious attention of the Chinese side."



Importing Technology

Plans Readjusted, Policy Unchanged

Gu Ming, Vice-Minister in Charge of the State Planning Commission, recently answered some questions put to him by our correspondent concerning China's import of technology and its relevant policy. Here are the main points of their talks. — Ed.

Question: What progress has been made in the import of technology over the past year?

Answer: We've had extensive contacts with economic, scientific-technical and financial circles in many countries and signed a number of contracts on imports of projects. Studies and discussions are under way on other projects. A new situation has been opened up with regard to economic and technical exchanges with other countries.

The scope of import of technology last year was the largest in the history of the People's Republic, and work in this regard was proceeding at the fastest speed. The volume of business in this field was twice the total for the five years from 1973 through 1977 and involved hundreds of companies from a dozen countries.

Import items contracted are mainly for complete sets of equipment. Some are for individual machines. Mostly they are for the chemical, iron and steel, coal, petroleum and electric power industries. A portion will go to the machine-building, light and textile industries, and electronics industry. Some items are for scientific experiments.

Inexperience led us to importing some items too hastily. Their import was incompatible with our ability to assimilate and our construction and capacity to provide the ancillary equipment. We are paying attention to putting this right.

Q.: Is importing technology a new policy adopted after the downfall of the gang of four?

A.: No. It is a basic policy formulated by Chairman Mao and Premier Zhou which we have been implementing for years.

Before and after the founding of the People's Republic in 1949, Chairman Mao had time and again spoken about the question of getting



external assistance, trading with and learning from other countries. He consistently stressed the need to implement the policy of "relying mainly on our own efforts while making external assistance subsidiary."

In his *On the Ten Major Relationships*, a programmatic document on socialist construction written in 1956, he pointed out more explicitly: "In the natural sciences we are rather backward, and here we should make a special effort to learn from foreign countries."

Under the leadership of Chairman Mao and Premier Zhou, we imported technology on a comparatively big scale three times after the founding of the People's Republic. In the early 1950s, we imported machines and equipment from the Soviet Union under Stalin's leadership and from some East European countries. We began building our first group of key enterprises with them. From 1962 to 1965, we brought in technology and equipment from Japan and West European countries to equip over 80 construction projects. The technology for the manufacture of vinylon with tourmaline as raw material was introduced from abroad at that time. Between 1973 and 1977, we imported complete sets of equipment from Japan and West Europe to equip nearly 200 construction projects, including Beijing's 300,000-ton ethylene project, Wuhan's rolling mill for 1.7-metre-wide sheets and 13 sets of large fertilizer plants.

The introduction of technology from abroad was once held up by Lin Biao and the gang of four. After their downfall, we are in a better position to implement Chairman Mao's policy and move ahead.

Q.: Will the current readjustment of the national economy affect the import of technology?

SPECIAL FEATURE

A.: Technology is imported to help the modernization of the national economy. As economic construction plans are being readjusted, appropriate readjustment must also be made to the import of technology in the order of importance and urgency. But as a basic policy, the import of technology will not change. We will continue to import technology, and do it better than before.

Technology must be imported under unified state plan. In this regard, an overall balance must be achieved in three aspects. One is the import-export balance. The scale of imports must be tailored to our ability to export and pay in foreign exchange. The second is to achieve a balance between the imported projects and our building ability as well as capacity to provide the ancillary equipment. This includes the arrangements for assured supply of raw and semi-processed materials, fuel and power, adequate preparations for engineering work and other related items. The third balance is between imported projects and our ability to assimilate. This embraces our ability to use the equipment, the raising of our level of designing, scientific research and management of modern enterprises. In short, consideration should be given to both necessity and possibility, and the imported projects put into immediate operation.

Q.: What is the emphasis with regard to the future import of technology?

A.: This question involves many factors. I can only deal briefly with it. In the readjustment of

the national economy, the emphasis is on speeding up the development of agriculture and light and textile industries, the production of coal, petroleum, electric power and building materials, and the expansion of communications and transport. Technology import will fit in with the policy of national economic readjustment. Priority should be given to those items which are urgently needed by the state and which call for less investments, yield quick returns on investment and are profitable. In China where socialist public ownership prevails, the aim of "making profits" is to accumulate more funds for the state so as to expand construction and improve the livelihood of the entire people.

From the long-term point of view, it is necessary to import some advanced technology to equip such key branches as metallurgy, machine-building and electronics, even though their imported projects may not bring immediate results. Otherwise, it will handicap the accomplishment of the four modernizations.

As our science and technology and machine-building skills are still rather backward, we have been importing mainly complete sets of equipment. This state of affairs must be changed. We must gradually change to importing mainly technologies (including the technology to manufacture key equipment), selectively purchasing key equipment and designing the engineering projects ourselves. We should not import complete plants if importing key equipment will solve the problem. If importing technology will solve the problem, we should not import equipment. Only in this way can we enhance our designing and manufacturing skills and constantly increase our ability to do things by ourselves. Of course, this requires a process, but that will be the direction of our thrust.

Q.: What methods are to be adopted to promote technology import?

A.: In the past, we mainly used the method of importing complete projects and technology by deferred payment. Since last year, we have, on the basis of independence, equality and mutual benefit, adopted some flexible methods commonly used in international trade.

Compensatory trade. Using foreign funds and equipment, we build factories or mines

The Sichuan Chemical Plant equipped with imported machinery.



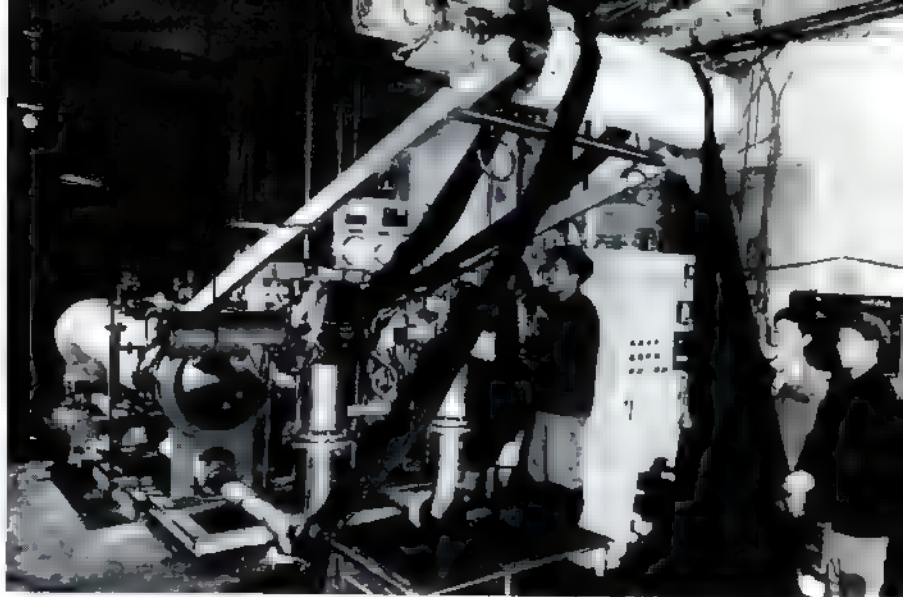
which are designed by foreigners or jointly by Chinese and foreigners. After these factories and mines are put into operation, the funds spent on the imported equipment and technology will be repaid year by year with part of their products or other products needed by the other party. This method helps import complete sets of technology and enhance our ability to repay.

Co-operative production. This means China will process products with technology, certain equipment and a portion of the raw and semi-processed materials and parts or accessories provided by foreign companies; or co-operating to turn out a product, with a division of labour between the two parties concerned. The products thus turned out will be partially sold back to the other party or be sold by both parties on the international market, with each party entitled to profits proportionate to its share.

Processing trade. Orders are placed by foreign companies with our enterprises for goods under certain conditions. Our enterprises may process according to the model provided and technology specified by foreign companies, or process raw materials and semi-finished goods partially or wholly provided by foreign companies and assemble the parts they provided. In this, foreign technicians will be invited to give guidance. This will help us to improve the quality of our export products, increase the designs and varieties of products and meet market requirements.

There are many other methods. For instance, inviting specialists from abroad to undertake designing or entrusting foreign companies with the task of designing so as to help our old factories carry out technical transformation, engaging in joint designing with foreign companies, and co-operating with foreign companies and scientific research institutes to develop new techniques and produce new products. We have begun to adopt or are prepared to adopt these methods.

Q.: What are the prospects for joint ventures after the promulgation of the Law on Joint



Shijiazhuang textile workers have quickly mastered imported equipment to triple output.

Ventures Using Chinese and Foreign Investment?

A.: Some foreign companies have shown keen interest in such joint ventures and some have contacted our side. But not much headway was made before, because there were no laws on such joint ventures by the Chinese Government. The law on joint ventures recently adopted at the Second Session of the Fifth National People's Congress (see issue No. 29) provides that the Chinese Government protects, according to law, the resources invested by a foreign participant in a joint venture and the profits due him and his other lawful rights and interests. The law only stipulates the minimum proportion of investment to be contributed by foreign parties to the joint ventures. The specific proportion of investment is to be discussed and decided upon by the parties concerned in a joint venture. The foreign participant may remit abroad his share of net profit after fulfilling his obligations.

There has been a positive response from abroad to the Law on Joint Ventures Using Chinese and Foreign Investment after its promulgation. According to foreign news agency reports, this law has dispelled many doubts and it is expected that people will be inspired by it and will invest in China. They added: The new law will stimulate many foreign companies to trade with China and invest in the country. There will be new progress in running joint ventures using Chinese and foreign investment.

Lenin on Assimilating Good Foreign Things

by Zhong He

AFTER the seizure of political power, should the proletariat make use of the technology and capital of the capitalist countries to develop its own economy and to speed up socialist construction? Lenin said yes.

In his *On Proletarian Culture* written in 1920, Lenin said: "Marxism has won its historic significance as the ideology of the revolutionary proletariat because, far from rejecting the most valuable achievements of the bourgeois epoch, it has, on the contrary, assimilated and refashioned everything of value in the more than two thousand years of the development of human thought and culture."

He also pointed out that the proletariat "could not retain power by dictatorship, by force, by coercion alone; power can be maintained only by adopting the whole experience of cultured, technically-equipped, progressive capitalism and by enlisting the services of all these people." (*Speech Delivered at the Third All-Russia Congress of Water Transport Workers*, 1920.)

In *The Immediate Tasks of the Soviet Government* (1918), Lenin expounded the significance of using the advanced science, technology, experience in production and management, and cultural achievements of the developed capitalist countries. He said: "The possibility of building socialism depends exactly upon our success in combining the Soviet power and the Soviet organization of administration with the up-to-date achievements of capitalism." Earlier, while preparing the outline for his article, Lenin worked out a formula which reads: The readiness to absorb things good and foreign: Soviet government + good order on the Prussian railways + American technology and trusts + national education in the United States etc. etc. = the sum total = socialism.

After the victory of the October Revolution, the Soviet Union was encircled by the imperialist countries and encountered by a ruined, backward national economy. How to overcome the backwardness as quickly as possible was a

problem. Lenin held that it was essential for restoring and developing the economy to import advanced technology and equipment from foreign countries and to make full use of their technology and capital. He stressed: "We cannot, on our own, rehabilitate our ruined economy without machinery and technical aid from abroad." (*Tenth Congress of the R.C.P. (B.)*, 1921.)

On Lenin's proposal, the Soviet Union adopted the following guidelines: 1) Import large quantities of machinery and equipment. During the period of the First Five-Year Plan (1928-32), the Soviet Union built 1,500 modernized industrial enterprises and set up many new industrial departments. Most of them used imported equipment. In the early 1930s, the Soviet Union, as the world's largest buyer of machinery, purchased one-third to one-half of all the machinery exported by the capitalist countries. 2) Sign contracts with capitalist countries for technical assistance in designing, equipping and building some engineering projects. For instance, a U.S. company helped the Soviet Union renovate 40 old factories and construct 18 new ones for its metallurgical industry in 1928. 3) Make use of foreign loans. From 1920 to the eve of World War II, a total of 2,000 million rubles in foreign loans was granted to the Soviet Union. 4) Set up joint-stock companies with foreign capital. There had been 24 such companies by the end of 1923.

Of course, Lenin's policy of importing technology and foreign capital was not without principle or unconditional. The main principle was adhering to independence and keeping the initiative in one's own hands politically and making economic concessions provided the fundamental interests of the proletariat were not infringed upon.

However, Lenin's correct policy met with interference and sabotage from the "Left" by the "Left Communists" within the Party and by some petty-bourgeois Socialist-Revolutionaries. They attacked Lenin's view as "losing faith in

the forces of the working class," "opportunist" and aiming at restoring "capitalism." While castigating this gang for its empty high-falutin revolutionary phrase-mongering, Lenin said: "Every class-conscious worker should expose and send packing those who shout about our having 'lost faith in the forces of the working class,' because these tub-thumpers are actually the accomplices of the bourgeoisie and the landowners." (*New Times and Old Mistakes in a New Guise*, 1921.)

Lenin also admonished those who had a fear of "capitalism": "Only those are worthy of the name of Communists who understand that it is impossible to create or introduce socialism without learning from the organizers of the trusts. For socialism is not a figment of the imagination, but the assimilation and application by the proletarian vanguard, which has seized power, of what has been created by the trusts." (*"Left-Wing" Childishness and the Petty-Bourgeois Mentality*, 1918.)

Legs and Walking Stick

— A visit to the Qianjin Chemical Works

by Our Correspondent Zhou Jin

MOUNTAINEERING requires two stout legs, and sometimes, a walking stick, too. A walking stick certainly cannot do what a pair of legs can, it is only an aid. The walking stick analogy can be used to describe our import of advanced technologies and equipment. We rely mainly on what we can do ourselves to attain modernization. The walking stick analogy augments our self-reliant ability.

My recent visit to the Qianjin Chemical Works of the Yanshan General Petrochemical Company on the outskirts of Beijing gave me an opportunity to see how the "walking stick" is enhancing the ability of the "legs" in industrial modernization.

This new, modern chemical works is one of the 18 enterprises under the Yanshan company. The Qianjin works uses light diesel oil to produce ethylene, high-pressure polyethylene, butadiene and other major chemical raw materials and semi-finished products. It is a part of a key engineering project built a few years ago to make comprehensive use of China's petroleum resources. It has an annual 300,000-ton ethylene installation and several ancillary installations which have been operating for three years.

The place was clean and tidy and the air fresh. The young men and women on duty in the central control panel were attentively monitoring the various meters. Production rec-

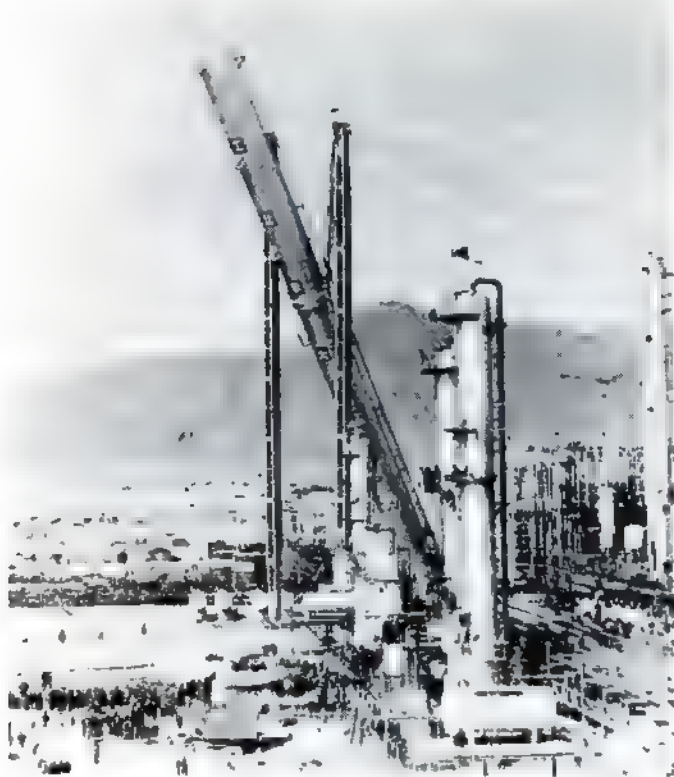
ords read that the amount of light diesel used last year to turn out a ton of ethylene and its costs and the top-quality rate of high-pressure polyethylene were all up to or better than designed standards.

A New Starting Point

Xia Qinlin, director of the Qianjin works, told me that both the technological process and equipment of this installation are fairly advanced. Previously, the biggest ethylene installation in our country had only an annual capacity of 36,000 tons and it was technologically rather backward. Compared with that installation, the imported one in the Qianjin works raises the production capacity eightfold, boosting labour productivity seven times and reducing costs by 32.4 per cent.

The new installation has considerably raised the output of our ethylene, high-pressure polyethylene, polypropylene and butadiene. In the past some of these had to be imported. We are now better able to produce raw materials for the making of plastics, synthetic fibres, synthetic rubber and drugs.

More important, in the course of putting up and operating this installation, a number of people are becoming skilled workers, technicians and managerial personnel. This helps create a better basis for modernizing our petrochemical industry.



At the Qianjin Chemical Works:
moving the distiller to its place.

Do as Much as Possible Ourselves

This 300,000-ton ethylene project was the first major item of economic and technological co-operation agreed upon in early 1973 between China and Japan after the normalization of relations between the two countries. The technological designing was done by Japan's Toyo Engineering Company and other firms (the technological basic designing was by the Lummus Company of the United States), which also supplied the equipment and related technological data, received a number of trainees and sent over experts and technicians to help in construction, installing and trial run.

Whatever could be done by ourselves, we did. According to the contract, our side was responsible for the general designing, the designing and building of the civil engineering work and underground engineering project, the installation of equipment, the training of personnel and on-site operations. Nearly 10,000 Chinese workers and staff members took part in the construction and more than 800 enterprises undertook to manufacture the ancillary equipment. This helped raise our ability in an all-round way to build a modern industry.

Co-operation and co-ordination between both sides in the course of construction were

close. Controversial issues were handled in the spirit of friendly negotiations and equality and mutual benefit. This ensured the smooth construction of the project according to schedule and success in its first trial run. Both parties were satisfied with the results.

Xia Qinlin said: "We've just taken our first step on the road of modernization. Some auxiliary projects are still under construction. The full productive potential of this installation is still to be tapped. Furthermore, we are going to launch a mass movement for technological innovations and do a good job in the special research institutes we have set up. We must make improvements and inventions on the basis of technological imports."

At a Forum

I invited some of the company's cadres, technicians and workers who had worked in the 300,000-ton ethylene project to sit down and tell me something about their work.

Closed-Door Policy Won't Work

Xia Qinlin (deputy manager of the Yanshan General Petrochemical Company and director of Qianjin Chemical Works): For 26 years I've been engaged in constructing and managing imported projects related to the chemical industry. To produce synthetic rubber, we imported in the 1950s for the Lanzhou Chemical Works a plant from the Soviet Union to produce 5,000 tons of ethylene a year. In the 60s, we imported another one with an annual capacity of 36,000 tons from Western Europe. In the 70s, we imported this new 300,000-ton ethylene installation from Japan. I had a hand in all three. Productivity went up each time and each was more technologically advanced than the other.

Ethylene is a very important raw material. The ethylene output of a country is a general indicator of the level of its chemical industry. We had not much to go on at first. It is necessary to import the plants to set up and develop our own petrochemical industry. This latest import will help put us very quickly on a par with contemporary production.

Science and technology are advancing by leaps and bounds and inter-country economic and technological exchanges are proliferating. If we seal ourselves off from the outside world, we're going to get nowhere. If we do not pay

attention to absorbing the technological achievements of other countries, but distort "self-reliance" to mean groping about without knowing what has already been found elsewhere, we're not going to shed our backwardness very quickly, and we can forget about catching up with and surpassing the most advanced.

I don't mean we must relax our own efforts. Absolutely not. We worked hard to learn and familiarize ourselves with the imported technological data as we took part in constructing the 300,000-ton ethylene project. We designed and built the project and installed the equipment and we made some of the ancillary equipment. The technological designing was entrusted to foreign firms.

Stress on Our Own Efforts

Xu Kuishou (deputy secretary of the Party committee of the Qianjin Chemical Works): Quite right. Imports are no substitute for our own efforts. It is us who must learn to handle and absorb imported technology and accumulate the funds to buy the import. And it is we ourselves who must improve and innovate on the basis of the imports.

This is why we continue to call on everyone to learn from the Daqing Oilfield, from its spirit of working hard and self-reliance as we build our works. We do that today and in the days to come. We will continue to promote this spirit, work hard to increase production and practise economy and run our enterprise frugally and industriously.

This is also true elsewhere in the country. This is why we say that we cannot buy four modernizations or borrow them from abroad, but must be attained through the efforts of workers, peasants and the rest of the nation. Self-reliance will always remain our guideline. Some friends abroad think that we are abandoning our policy of self-reliance when we import in quantity technologies and equipment and make use of foreign funds. This is a misunderstanding.

Not Merely Copying

Xu Leixin (in charge of project designing at the Designing Institute of the Yanshan company): Even when the imported technology and equipment are advanced, there is still the question of how to make

them meet the conditions in our own country. Take the designing of this giant 300,000-ton ethylene installation for instance. When negotiating the contract in 1972, naphtha was the raw material then used abroad. The biggest ethylene plant using light diesel as raw material at that time had a capacity of only 100,000 tons. Moreover, it was still in the stage of trial production.

The naphtha content of our oil is rather low, whereas the content of light diesel is rather high. So we asked the foreign companies concerned to design an installation using light diesel. It turned out successful. This is a case of meeting the conditions of our resources and achieving a breakthrough in the technology of producing ethylene.

Yang Fachu (workshop head of the Qianjin Chemical Works): The late Premier Zhou told us that the import of technology and equipment must be integrated with studying and innovation. What he said is a very good interpretation of Chairman Mao's idea of letting foreign things serve China.

Our purpose of importing technology is to accelerate the four modernizations. Naturally, we want only what is advanced and applicable in our country. Not all imported equipment and technology are advanced and suited to us in every respect. To know what we want we must first of all study and try it. We then analyse and incorporate its good points and improve upon its weak points. And on this basis, we make innovations and inventions. The key lies in thoroughly knowing other people's products. Before one really knows them, one must

At the central control panel of a workshop of the installation producing 300,000 tons of ethylene a year.



SPECIAL FEATURE

not rashly dismiss them or blindly change them. But when one has mastered them, one must guard against following the old practice and being afraid of making inventions.

Training the Technical Force

Li Jinghao (foreman of the Qianjin Chemical Works): Apart from raising the productive capacity, the import of technology and equipment has another role to play — training our own technical forces. This is very important if we are to turn China into a powerful socialist country.

Our factory attaches great importance to the training of skilled workers. About 80 per cent of our workers are middle school graduates who had spent a few years working in the rural people's communes. Before the factory went into operation, they worked first as apprentices in the Lanzhou Chemical Works for about a year or so. Some of them also went to study in Japan for a while. When they came here, they again studied the related technological data and attended the lectures of foreign experts. Everyone of them was required to understand the technological process and the structure and performance of the equipment and learn its operation and maintenance. They also had to know what could break down and how to prevent them.

The training was very rigid. I remember the interference by the gang of four in those days. Schools had given up examinations but we continued holding examinations and only those who got more than 80 marks were considered qualified. The workers all thought it

a great honour to take part in this giant engineering project and their enthusiasm in studying was very high and they made quick progress. They are going to be very useful in developing our petrochemical industry.

Yuan Qingtang (woman, another member in charge of project designing at the Designing Institute of the Yanshan company): Altogether 300 people of our institute have taken part in the construction of this project at one time or other. Prior to that, we had only some experience in designing small chemical works of the 1950s and 1960s. This time, through the overall designing of the 300,000-ton ethylene project, the buildings and the water, gas and electric supply systems, we learnt a lot and raised our vocational level.

When we import foreign technology, we do not do it just to raise productive capacity. More important, we see to the training of our own technical force. That was why we put a lot of effort into absorbing the imported technological data. We're in a position today to design similar large ethylene projects.

Modesty Is Not Self-Abasement

Yang Jiemin (deputy chief engineer of the Building and Installing Company under the Yanshan company): Generally speaking, science and technology in our country is backward. We must learn from other countries modestly. We must not indulge in self-aggrandizement. But this does not mean we do not have our own good points. So we must not think that we are no good at all. Anything we can make ourselves must not be imported. Anything which we can do ourselves should be done by ourselves, and not look to others. We must fully exploit our own good points.

Take lifting and installing an entire unit, a method we used. This unit has a colossal distiller weighing 320 tons and is 4.5 metres in diameter and 83.4 metres high. Together with its other parts they weigh 595 tons. At first, the Japanese side, according to standard practice abroad, suggested installing section by section, or raising the thing first and installing attached parts high above the ground.

From our experience, we thought it better that all the attached parts be installed first on the

Technicians and workers examining equipment at the Qianjin works.



ground and then use two mast cranes (each with a lifting capacity of 350 tons) to raise the whole thing into position. That eliminated working high above the ground and was faster and safer. The Japanese side was at first not

convinced and agreed only after some discussion. Later, it was raised without any mishap and in only 67 minutes. The Japanese experts and their families came to watch, and they applauded the successful operation.

REALLOCATION

by Our Correspondent Jin Jizhu

What should be done with old equipment after new machines have been imported? Are factories which use outdated machinery in danger of going bankrupt? Will workers' jobs be threatened by new equipment? The experience of three Beijing textile mills offers some answers.

SWEATERS made in Beijing sell well at home and abroad because of their high quality and colourful designs. But years ago, the raw material, cashmere, had to be imported. Before 1975, China had spent 900,000 U.S. dollars every year in importing 300 tons of cashmere. It was vital to make China self-sufficient in cashmere if sweater production was to be boosted. How could it be done? Should a new plant be built? That would take quite a long time and require a huge investment. Therefore, the Beijing Municipal Bureau for the Textile Industry decided to import some advanced machinery from West Germany

Readjustment

In May 1975, the 5,000-spindle imported machinery including 23 main machines and two dyeing machines arrived. Added to the 45 pieces of auxiliary Chinese-made machines, they formed a complete production line. The machinery was installed in a workshop in the Beijing No. 2 Woollen Textile Mill which had a rather well-developed technical base.

Their original 1,400-spindle equipment for spinning 8-count worsted yarn was transferred to a state-owned cotton blanket factory in Tongxian County just east of Beijing, whose machinery for producing 300,000 blankets a year was in turn sold to the rural Zhongfule People's Commune in Huairou County on the outskirts of the capital. The commune built workshops on a tract of wasteland by the roadside and assigned some 200 young members from its production brigades to work in the cotton blanket factory.

West German machinery for spinning cashmere.





Improvements made on this imported automatic packing machine in the Shanghai Dental Cream Factory raised production by 50 per cent.

The work of dismantling and installing the equipment and trial-producing was finished within half a year. The three mills went into production in succession from October 1975 to the beginning of 1976.

This operation might seem as if it only involved the transferring of machines. But in fact, it represented a rational readjustment of the division of labour between factories. In a spirit of comradely co-operation between socialist enterprises, the woollen textile mill helped the cotton blanket mill shift into spinning worsted yarn while the latter spared no efforts to help the peasants learn how to produce blankets and manage a mill.

Results

What are the results of this reallocation? Experiences in the last three years have been quite satisfactory.

1. One of the workshops in the Beijing No. 2 Woollen Textile Mill, a key enterprise in the capital city, was quickly rebuilt for producing cashmere. As there is a quick return on investments in light industry, the 1.446 million U.S. dollars borrowed from the Bank of China to purchase the imported equipment were entirely paid back from the mill's profits in its first year of production. Now

the mill's annual output is nearly 1,000 tons. Another workshop of the same production capacity could be built with the profits earned in half a year.

2. As the Beijing area now produces a sufficient quantity of cashmere, the city has built 20 new sweater factories (eight of them run by rural people's communes). This boosts the annual output for export to over 2 million pieces, more than triple the original production. In addition, these factories provide several hundred thousand woollen sweaters for domestic consumption every year.

3. Compared with Chinese-made machinery, the imported equipment is highly automated and dependable and turns out better quality products. Our textile industry can draw on this experience for future technical innovations and transformations.

4. The equipment in the cotton blanket factory in Tongxian County was greatly inferior to that of the woollen textile mill. So, relatively speaking, the utilization of old equipment from the woollen textile mill was a technical improvement. The total output value of the factory last year was 23.86 million yuan, more than seven times the figure when it turned out cotton blankets. Now the factory has been renamed the Beijing's No. 2 Mill for Worsted Yarn.

5. The outdated equipment from the cotton blanket factory was put to good use in the Zhongfule People's Commune. Due to inexperience, the peasants were confronted with many difficulties at the beginning. But with help from the municipal departments concerned, things have gradually become normal since 1977. Profits accrued from the first three years or so of production have been used to pay back all the expenses for building the factory, as well as for building water conservancy works, buying farm machinery and chemical fertilizer for the people's commune and increasing the income of the local commune members.

To realize the four modernizations, there is no doubt that China must adopt advanced technical equipment as much as possible. But it is also obvious that as the productive forces in China's vast countryside and small towns are still low, comparatively old and backward equipment will still be useful for quite some time. When integrated with China's bountiful labour force and rich natural resources, it will continue to play an important role in boosting the growth of the national economy in our country.

The Nation Contemplates

Why Was an Outstanding Woman Communist Killed?

REPORTS on the heroic deeds of Zhang Zhixin who laid down her life for the truth were frontpaged in *Renmin Ribao* on May 25 and similar reports were also carried in other leading national dailies and magazines, and overnight her name was on the lips of 900 million people. Many were moved to tears by her heroism.

Who Was She?

During the Cultural Revolution, Zhang Zhixin openly stated political viewpoints which were in direct opposition to Lin Biao and the gang of four. For this she was thrown into prison on groundless charges of having committed "counter-revolutionary crimes." Because she refused to knuckle under, she was sentenced to death and executed in April 1975. The case of Zhang Zhixin could be re-examined and the verdict reversed only after the gang of four was toppled. In March this year she was exonerated and recognized posthumously as a revolutionary martyr.

Zhang Zhixin worked as a cadre in the office in charge of literature and art under the propaganda department of the Liaoning provincial Party committee. In 1966 when the Cultural Revolution began, she took part in the movement enthusiastically like many others. But reality soon left her perplexed: Why were many veteran cadres being overthrown after so many long years of meritorious service for the people? With virtually all Party organizations compelled to stop functioning, who would lead the country's revolution and construction? Why were some people so bent on creating splits and instigating fighting among the masses as if nothing short of national chaos could satisfy them? How was it that they could arrest and manhandle people at will without being duly punished? What would happen to the country if such chaos persisted? Day and night she pondered over these questions and dug into revolutionary



theory in search of an answer. It gradually dawned on her that a few persons were taking advantage of the situation to confound truth and falsehood to serve their sinister plot.

In the face of such a situation, she said in 1968: "I'm not worrying about whether I myself turn out to be correct or not; I'm thinking about a cardinal issue of principle. I'm anxious about the destiny of the Party and the state." When people asked her what there was to be anxious about, she answered with indignation: "Are those people around Chairman Mao really trustworthy—I mean Jiang Qing, Ye Qun [Lin Biao's wife] and people like that?"

Those were years in which Communist Party members daring to ask political questions and speak their minds were bound to meet with disaster. At the outset Zhang Zhixin was criticized for her "counter-revolutionary ideas." Her accusers demanded that she plead "guilty." Instead of this, she brought out her reasoning more systematically and in greater detail. Openly she expressed her "mistrust in Lin Biao," and she said that Jiang Qing was not the "standard-bearer" as was much vaunted but the chief culprit wrecking the culture and arts of the motherland. She also aired her opinions concerning the abnormal inner-Party democratic life and the broadening of the target of the class struggle.

The more firmly she upheld the truth, the more cruelly they persecuted her. In 1969 she was thrown into jail. The gang's thugs used

iron fetters and handcuffs in an attempt to cow her into submission. But that was only wishful thinking; Zhang Zhixin remained undaunted. She wrote *A Communist's Declaration*, which ran into no less than 10,000 words. In it she insisted that expressing her views on some questions concerning the future of the Party and the state was not only a manifestation of her loyalty to the Party but was the bounden duty and inviolable right of an ordinary Party member in the struggle between the two lines, Marxist and revisionist. She could see nothing wrong in her words and deeds, she wrote. "My doubts as to the present two-line struggle and problems in connection with it are based on reason. I have grounds for my views and opinions and it is only right for me to refuse to change them."

Behind prison walls she was tortured beyond description both mentally and physically but her morale remained unimpaired. She never slackened her study of writings by Marx, Engels, Lenin and Stalin and Chairman Mao's works. A music enthusiast, she composed songs to eulogize the Party which had brought her up and to express her determination to fight to her last breath. Her pen was confiscated, but using wooden sticks dipped in ink, she wrote more poignantly: "Why are you so afraid of the truth? You claim that you are 'proletariat,' but what sort of 'proletariat' are you?" "You may play whatever trick you have up your sleeves. But she will remain a Copernicus of the 70s!" "Stick up for the truth and never give in!"

In August 1974, a right-hand man of the gang of four who was then riding high in Liaoning had Zhang Zhixin sentenced to life imprisonment for "counter-revolutionary crimes." In April the next year her sentence was changed to that of death and she was executed immediately. She was denied the right to appeal, and no report on her death sentence had been sent beforehand either to her place of work or to her relatives. When the verdict had been read out to her, she replied: "I have no intention of changing my views."

History has now borne out the correctness of Zhang Zhixin's views.

She came from a music teacher's family. Soon after nationwide liberation in 1949, she served in the People's Liberation Army. Later, she studied in a Beijing university and became

a Party member in 1954. At the time of her martyrdom she was 45 years old.

Repercussions

In the last month and a half, Chinese newspapers and journals have been carrying reports about Zhang Zhixin's heroic deeds together with passages from her letters, writings and replies under interrogation. Pictures of her taken at different times during her lifetime have been published. The two songs she composed in prison, *Whose Crime?* and *Seeing the New Year In*, have become popular with the masses. Her mother, sisters, daughter and colleagues have written reminiscences in her memory, and poets have composed moving verses eulogizing her noble qualities. In letters to the press many readers pledged to learn from the martyr and expressed their indignation at the crimes perpetrated by the gang of four. They praised Zhang Zhixin as the pride of our Party and our nation, and saw in her and many other fine Communist Party members hope for the Party and the nation.

Writers and artists were full of inspiration when they prepared to portray the heroine through various art forms. The Shanghai Television Station was the first in the country to present the play *A Red Flower That Will Never Fade*. Songs composed by Zhang Zhixin can be heard over the radio and television. At a recitation sponsored by the magazine *Shi Kan* (Poetry) and the Central People's Broadcasting Station on the evening of July 2, some celebrated performers recited poems and sang songs in praise of Zhang Zhixin; the martyr's sister read passages from the letters Zhang Zhixin wrote during her lifetime and spoke on the occasion.

Lessons

Zhang Zhixin did not die in prison or under gunfire at the hands of the imperialists or the Kuomintang reactionaries; if she had, it would not have been hard to understand. She fell an innocent victim to brutality in our socialist country under the proletarian dictatorship. This poses a profound question, as was pointed out in many readers' letters to the press and in newspaper articles.

This incident drives home to the people that the dictatorship of the proletariat can degenerate into a fascist one if people do not enjoy



While in custody she made a red paper flower to celebrate the Party's birthday.

(Woodcut)

full socialist democracy and if the socialist legal system is not functioning normally. Then what is to be done to prevent other such incidents? In a June 27 article, *Renmin Ribao* summed up the many ideas put forward in 500 letters and cables from its readers. To quote some of their suggestions:

- Work out and promulgate laws governing the trial, conviction and punishment of persons charged with counter-revolutionary crimes, laws supported by the people and which law-enforcement departments must strictly comply with;

- Safeguard the right of the masses and Party members, in accordance with relevant stipulations in the Constitution of our People's Republic and the Party Constitution, to lodge complaints against Party and government organizations at all levels and against their responsible members. Criticism and supervision from the masses should be welcomed. If people express wrong ideas they can be helped and educated to see things in the correct perspective. No one is allowed to punish people simply for saying something wrong;

- Abolish secret trials, barring only special cases prescribed by law;

- Prohibit maltreatment of prisoners. Extortion of confessions by third degree and maltreatment of prisoners should be clearly stipulated as criminal behaviours;

- See to it that the "courts are loyal to law only." Juridical and procuratorial organs should be mutually independent and act strictly according to law; and

- Restore public trials as soon as possible, restore the system of lawyers, and strictly follow legal procedures.

Speaking at a group meeting at the Second Session of the Fifth National People's Congress, Ren Zhongyi, first secretary of the Liaoning provincial Party committee, said: It is not at all strange that Zhang Zhixin was put to death by the gang of four and their sworn followers. But, he asked, why did no one take exception to this at the time? He accounted for this by giving several reasons connected with the situation obtaining then. First, when the gang of four were on the rampage doing all they could within the Party to stifle the atmosphere of seeking truth from facts, it was impossible for the case of Zhang Zhixin to be brought up in detail and freely discussed at meetings. Secondly, because of the evil influence of the gang of four's ultra-Left ideas, some of our comrades failed to recognize the correctness of Zhang's views and did not consider her innocent. Thirdly, lack of political courage in face of the despotic rule of the right-hand man of the gang in Liaoning led some people to remain silent before the abuses and depredations of the gang and their henchmen; a few persons even followed the gang servilely. Historical lessons teach us that the fundamental thing to do is to prevent careerists and conspirators like Lin Biao and the gang of four from usurping the supreme leadership of the Party and the state. Once people of this kind have their way, then the Party Constitution and the Constitution of our People's Republic become no more than scraps of paper.

The nation cherishes the memory of Zhang Zhixin and contemplates the misfortune which befell her. The Second Session of the Fifth National People's Congress has summed up the bitter lessons drawn from the sabotaging of the socialist legal system by the gang of four and has adopted the criminal law and other important laws. This is a big step forward in giving full scope to the people's democracy and strengthening the socialist legal system. In this sense, the martyr did not shed her blood in vain.

China's Stand on Question of Indochinese Refugees

REPRESENTATIVES from more than 60 countries attended the International Conference on Indochinese Refugees which was held in Geneva on July 20 and 21 and was chaired by the U.N. Secretary-General.

Zhang Wenjin, the leader of the Chinese delegation, gave a speech on the afternoon of July 20.

Root Cause

He pointed out that the root cause of the Indochinese refugee problem lies in the Vietnamese authorities' policies of aggression and expansion abroad and military dictatorship and genocide at home.

He called on the international community to force the Vietnamese authorities to abandon their policy of creating and exporting refugees while it provides those who have already been exported with relief and resettlement.

Zhang Wenjin said: "The question of Indochinese refugees has become an international issue attracting worldwide attention. Such tremendous numbers of refugees languishing in such tragic circumstances are indeed rarely heard of since the end of World War II. The exportation of refugees on such a huge scale is a violation of the basic principles of international law, upsetting the tranquillity of

neighbouring countries and areas. This has caused general consternation and grave concern of world opinion." This international conference on the Indochinese refugee problem not only needs to work out emergency measures to relieve and resettle the suffering refugees numbering hundreds of thousands, but must tackle the refugee problem at its roots and take effective steps to eliminate this man-made disaster, he said.

The Chinese Government and people, he continued, feel the deepest sympathy for the Indochinese refugees and will do their best to provide humanitarian aid to them. China cannot but express its deep regret and solemnly condemn the country which is the arch-culprit responsible for such atrocities.

He pointed out that the sudden influx of refugees of such a multitude into Southeast Asia, China and other parts of the world has brought on them heavy economic burdens and grave social problems. Up to now, 350,000 refugees have been stranded in Thailand, Malaysia, the Philippines, Singapore, Indonesia and Xianggang (Hongkong), awaiting resettlement. The Chinese Government sympathizes with the Southeast Asian countries and region bearing the burden of the exported refugees and is ready to co-operate and work in appropriate co-ordination with them in the relief of the refugees. We support the various positive, legitimate and reasonable proposals put forward by the ASEAN countries and other countries concerned for resolving this problem.

Zhang Wenjin added that Kampuchea is one of the victims of the refugee problem. It is also a member of the United Nations. Yet it has not been invited to this international meeting. He expressed his regret in this regard.

China Bears the Brunt

He pointed out that China has borne the brunt of the large outflow of



Division of Labour.

by Hua Junwu

refugees from Viet Nam. Up to the end of February this year, 202,000 refugees had been driven into China, including Vietnamese citizens of Chinese descent, Chinese nationals and ethnic Vietnamese. In the four months since then, the monthly rate of influx has exceeded 10,000. So the total number of refugees who have come to China has exceeded 250,000. The large inflow of refugees, who hardly have any personal belongings, has caused the provinces and region in southern China extreme difficulties in providing them with food, shelter, accommodation and other supplies. He noted that in some Vietnamese counties and districts bordering on China, a policy for setting up a so-called "cordon sanitaire" is being pursued to continue to drive local Vietnamese national minorities into China, adding to the burden placed on the Chinese border areas and aggravating border tensions. This is regrettable and causes worries.

In order to resettle and provide relief to the refugees, he said, China's central authorities have already allocated and assigned funds for helping the refugees engage in productive work—a total sum equivalent to 450 million U.S. dollars—apart from funds allocated by the local authorities concerned. China is an economically underdeveloped country with a large population and comparatively scarce arable land. The burden it has borne is already very heavy. "Nevertheless, we are ready to discuss the problem with the UNHCR office and work out orderly arrangements for the reception of a maximum of 10,000 refugees who are staying temporarily in the Southeast Asian countries, especially those countries with a large number of refugees, and in Xianggang provided that they truly choose to resettle in China. Moreover, the Chinese Government has decided to make a donation in foreign currency of 1.5 million yuan (nearly 1 million U.S. dollars) to the UNHCR office as relief to the refugees now in ASEAN countries and Xianggang," he said.

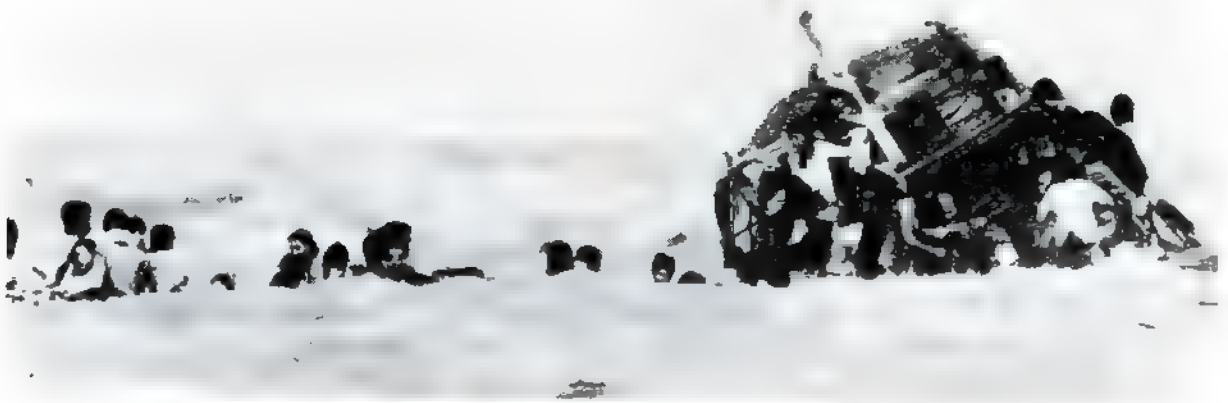
He pointed out: "In discussing the question of Indochinese refugees, the root cause of this problem cannot be evaded. Numerous facts have shown that it is caused by the internal and external policies pursued by the Vietnamese authorities. In recent years, they have been indulged in militarism and bent on aggression and expansion. At home, they are enforcing a military dictatorship and practising genocide, thus leading to the exodus of refugees. Through the export of refugees, they seek not only to shift their grave economic difficulties on to neighbouring countries, but also to create chaos

and incite racial discord and fan up anti-Chinese sentiments in Southeast Asia. This is the root cause of the problem of Indochinese refugees. It must be pointed out that one superpower has in all possible ways tried to boost the morale of the Vietnamese authorities, conniving with and abetting them. This serves precisely to show up the designs of this superpower which attempts to fish in troubled waters and meddle in the affairs of Southeast Asia, and reveal the international background of the question of Indochinese refugees. Chiming in with each other, the two are trying to confound right and wrong and shift the blame for the refugee problem on to other quarters. This can only be futile."

He pointed out that the gravity and urgency of the question of Indochinese refugees does not confine itself to the scope of the present tragedy, but is still growing. It would be an exercise in futility if this meeting were to discuss the relief and resettlement of the refugees while evading the root cause of the problem; for the more you resettle, the more they will expel. The situation will go on deteriorating. "Therefore, unless we tackle the problem of the export of Indochinese refugees at



Hong Tu Tran, a destitute refugee from the Vietnamese province of Quang Ninh. Before he was driven across the Chinese border, his house and all his possessions were seized.



Vietnamese refugees abandon a sinking boat and swim towards the Malaysian coast.

its source, we can hardly claim to have fulfilled humanitarian and moral responsibilities incumbent on us all," he said.

China's Proposals

He said: The Chinese delegation agrees that the proper resettlement and relief of the existing refugees is a matter of great urgency and necessity. But it is also necessary to take effective measures to make the Vietnamese authorities abandon their policy of creating and exporting refugees. In order to find a positive and effective solution to the problem of refugees, the Chinese delegation wishes to put forward the following proposals:

1. At the moment, the problem of relief and resettlement of refugees now stranded in the ASEAN countries and Xianggang is one that commands priority, requiring immediate solution by the international community. All countries, particularly the developed countries, should be called upon to make greater contributions in resettling the refugees, setting up reception centres and providing financial and material aid in accordance with their different social and economic conditions. Those countries accepting refugees are urged to co-operate closely with the UNHCR office and simplify the relevant formalities so as to speed up the pace of resettlement.

2. The Vietnamese Government cannot shirk its responsibility to receive those refugees now stranded elsewhere who voluntarily choose to return to Viet Nam, guarantee their safety of person and property and give them proper resettlement. As for those who for various compelling reasons seek departure, the Vietnamese Government should undertake to ensure their orderly departure and co-operate with the UNHCR office and set up, at appro-

priate locations, a certain number of reception centres dealing with matters in connection with their departure.

3. Ships of all countries have the obligation to rescue those "boat people" who run the risk of death at high sea, and send them to the refugee transit stations or refugee camps for temporary reception. The UNHCR office will make arrangements in the shortest possible time for them to settle down in third countries in compliance with their own volition.

4. In order to make up for the financial deficiencies in the relief and resettlement of refugees, it is proposed that the governments of countries and international organizations concerned should provide funds, and that they suspend their economic aid to Viet Nam and reallocate the aid funds for the relief and resettlement of Indochinese refugees until the Vietnamese Government changes its policy leading to the exodus of refugees.

5. The Vietnamese Government should be urged to adopt a co-operative attitude towards the international community, change its policy of creating and exporting refugees and terminate its discrimination against and persecution of national minorities and Chinese nationals in Viet Nam as well as Vietnamese citizens of Chinese descent.

He said in conclusion: "The Chinese Government holds that this serious question involving violation of the U.N. Charter and humanitarian principles should be further considered on other appropriate and important international forums and that effective measures should be taken to overcome the disaster brought about by the Vietnamese authorities. To uphold justice and humanitarian principles, the international community has the solemn duty to oppose the Vietnamese authorities' acts

of persecuting and exporting refugees until they are in actual fact stopped. The Chinese Government is determined to continue to make unremitting efforts for the termination of this

international tragedy together with all countries concerned about the fate of Indochinese refugees, countries upholding justice and humanitarian principles."

Newsletter From Beirut

West Bank and Gaza Strip Under Israeli Occupation

RECENT negotiations between Egypt, Israel, and the United States over Palestinian "self-rule" on the West Bank of the Jordan River and the Gaza Strip under Israeli occupation were reported to be "extremely difficult" because of Egypt's and Israel's conflicting stand.

What is the existing state of affairs regarding the two Palestinian territories Israel has occupied for 12 years? And how are the Palestinian people living there? These would be the questions with which readers are concerned. Not long ago I visited a number of Palestine Liberation Organization (P.L.O.) departments in Beirut as well as interviewed Palestinian guerrilla fighters and refugees from the West Bank and the Gaza Strip and this is what I saw and heard:

Where Three Continents Meet

Palestine is where Asia, Africa and Europe meet, and in the past it was the centre for intercultural and trade exchanges between the East and the West. Before 1948, the West Bank of the Jordan River, the Gaza Strip and what is Israel today, were collectively called Palestine, administered by Britain under a mandate from the League of Nations.

The West Bank of the Jordan River covers 5,879 square kilometres and has about 700,000 inhabitants. There are undulating hills and wide valleys. It is an important producer of grain, fruit and industrial crops.

The Gaza Strip has some 450,000 inhabitants and an area of 378 sq. km. The climate is Mediterranean, admirable for agriculture and fruit trees. The orange export comes to 160,000 tons every year.

On May 14, 1948, Zionists declared in Palestine that they had established a "state of Israel." The next day, they launched their first war of aggression against Arab countries and occupied three-quarters of the Palestinian territories and the western part of the city of Jerusalem. At that time, the West Bank of the Jordan River and the Gaza Strip were separately controlled by Egyptian and Jordanian armed forces. Later, the two territories were placed respectively under the jurisdiction of the two countries. In June 1967 in its third war of aggression against Arab countries, Israel occupied the West Bank, the Gaza Strip and the eastern part of the city of Jerusalem as well, thus occupying the whole of Palestine.

Today, Palestine has become an arena of fierce rivalry between the superpowers in the Middle East. With their connivance and support, the Israeli Zionists have become swollen with arrogance and have openly declared they would permanently occupy the West Bank of the Jordan River and the Gaza Strip.

Israeli Settlements

Since 1967, the Israeli authorities have sent in some 90,000 Zionist immigrants and set up 87 settlements on one-sixth of the territory of the West Bank and the Gaza Strip.

The settlements are of military value. Concentrated in the valley of the Jordan River, the first group of settlements in the West Bank are actually Israeli outposts for strengthening its occupation. The other settlements have also been set up in areas of military significance, standing astride communication lines and having control of water sources. Every settlement is heavily guarded, surrounded by electric fences and sand bags. The settlers have all re-

ceived military training and have been issued weapons.

To seize land to set up their settlements, the Israeli authorities forced large numbers of local inhabitants in the West Bank and the Gaza Strip to move or expelled them from the areas. They pulled down 24,000 houses and even razed a number of Arab villages. Israeli Foreign Minister Moshe Dayan said: Our settlements have been built on the ruins of Palestinian villages. We must not only physically wipe out these villages but also obliterate them from history and geography books.

Disregarding condemnation by world opinion, the Zionists have been seizing land in the West Bank and the Gaza Strip and setting up more and more settlements. Recently Israeli Prime Minister Begin vociferously declared that Israel would "never give up the right of the Jews to settle in the West Bank." Israeli Minister of Agriculture Ariel Sharon advocates settling 2 million Jewish immigrants on the occupied Arab territories. And Minister of Defence Ezer Weizmann has a grandiose plan for establishing six big "urban centres" in the West Bank.

Source of Cheap Labour

Economically, Israel is trying hard to colonize the West Bank and the Gaza Strip and make the two Palestinian territories Israeli dependencies for ever.

Currently, the West Bank and the Gaza Strip are providing Israel with cheap labour. According to the obviously watered-down figures published by the Israeli labour department, about 65,000 workers from the West Bank and the Gaza Strip, half the workers in the two territories, are working in Israel. Most of them engaged in heavy physical labour.

Israel has cruelly exploited these Palestinian workers. First of all, their wages are lower than those of Israelis. Israeli statistics show that in 1976 the average income of the Israeli workers was 26,300 Israeli pounds (equivalent to 3,000 U.S. dollars) compared with the average of only 16,660 pounds for the Palestinian workers. Furthermore, many Palestinian workers are paid less than the "legal" minimum wage.

In addition, the Israeli authorities are levying miscellaneous taxes on the Palestinian workers, further reducing their already meagre wages by 30 per cent. At the same time, the Palestinian workers are exploited in a disguised form. For example, since workers from the West Bank and the Gaza Strip who work in Israel are not allowed to live there, they must

travel 3-6 hours every day to and from work on Israeli buses, which costs them about 10 per cent of their wages.

Prices are rocketing as the value of the Israeli pound is falling. In 1974, the exchange rate between the Israeli pound and the U.S. dollar was 4.5 to 1, but in 1978 the rate was 18.35 to 1. In fiscal 1976-77, prices in the West Bank rose 56 per cent and in the Gaza Strip 51 per cent. This makes life harder for the Palestinians.

Dumping

Dumping commodities is another important means which Israel is using to exploit the inhabitants of the West Bank and the Gaza Strip.

In 1968, the year after the two Palestinian territories were occupied, the industrial products Israel dumped there accounted for 86 per cent of the total import value of the territories. By 1978, the figure went up to 91 per cent. The trade deficits of the West Bank and the Gaza Strip with Israel rose from 195.2 million U.S. dollars in 1974 to 287.5 million in 1977.

The dumping dealt a heavy blow to the two territories' national industries such as textiles, food, tobacco and brewing.

Because Israeli commodities flooded their market, their traditional economic and trade relations with the Arab countries, especially with Jordan, have been seriously sabotaged.

Life Under the Bayonet

The people of the West Bank and the Gaza Strip living under the bayonet point of the Israeli military occupiers have been deprived of their minimum personal freedom. The Israeli authorities have trampled underfoot all international conventions and rules concerning occupied territories. Their discrimination, insults, persecution and suppression of the Palestinian people have aroused strong indignation and stern condemnation by world opinion.

According to P.L.O. statistics, in the last 12 years, some 100,000 Palestinians were arrested and jailed, many having died in prison from maltreatment and physical torture. There are still 5,000 Palestinians in custody. Some 230,000 people have been interrogated or questioned by Israeli authorities.

Hassan Abu Arab who was rescued last March by the P.L.O. said that in 1969 he was arrested for acting as a guide to the guerrillas. An Israeli military intelligence department had

(Continued on p. 30.)

NICARAGUA

Somoza Collapses

Somoza stepped down on July 17, thus ending his family's 43-year-old dictatorial rule over Nicaragua. His National Guard surrendered the following day under the powerful assault of the Sandinist National Liberation Front armed forces and strong national and international pressure. On the same day, Francisco Urcuyo Maliano, who had succeeded Somoza, resigned and left the country.

On July 18, the National Reconstruction Government was officially established in Leon, Nicaragua's second largest city, after three members of Nicaragua's National Reconstruction Government flew there from San Jose, the capital of Costa Rica, to join two other members who had stayed in the country.

The new government issued a statement on the same day which pointed out: Since the National Guard—the last pillar of the Somoza dictatorship—has been routed, the Sandinist National Liberation Front holds that it is necessary to be tough

during the war but lenient after the victory. We therefore call on the Nicaraguan people to remain calm and refrain from any reprisals against Somoza supporters, to respect the diplomatic immunity of the foreign embassies and permit National Guardsmen who have laid down their arms to seek asylum in churches and schools. The Government also announced the abolition of the constitution and the dissolution of the National Guard, the Parliament and the Supreme Court.

Somoza's downfall was greeted with ecstasy by the Nicaraguan people. In 30 or so Sandinist-controlled cities, the people streamed into the streets to celebrate the victory.

The toppling of Somoza marked a new page in Nicaraguan history. The Nicaraguan Provisional Government, formed by representatives of anti-Somoza organizations and recognized and supported by many Latin American countries, had earlier announced: A national reconstruction plan would be implemented to strengthen Nicaragua's sovereignty and its

right to self-determination, to restore the economy and establish a genuine democratic system; the new government would implement a policy of non-alignment and would not take part in any international power blocs. The emergence of stability and democracy in Nicaragua in place of the bloodshed is a common aspiration of the Latin American countries and many other countries of the world. The birth of a new Nicaragua will certainly help contribute to a more peaceful continent and a more peaceful world.

DEMOCRATIC KAMPUCHEA

Vietnamese Colonial Policy Denounced

According to an editorial broadcasted by Radio Democratic Kampuchea on July 16, Viet Nam's Le Duan-Pham Van Dong clique is initiating a policy of emigrating Vietnamese into Kampuchea. By the end of May, about 200,000 Vietnamese immigrants had settled in Kampuchea's coastal and eastern provinces. The Vietnamese authorities have also sent the families of their aggressor troops to live there.

A spokesman for the Democratic Kampuchean Government issued a statement on July 17 which said, "While massacring the Kampuchean people and expelling them from their country, Hanoi continues to emigrate its citizens to Kampuchea in a planned way. The Kampuchean people, therefore, are being subjected to an enormous disaster, that is, Hanoi is pursuing a policy of wiping the Kampuchean nation off the map." The statement urged that the world give close attention to this situation.



Soldiers of the Nicaraguan Sandinist National Liberation Front hail victory.

The Vietnamese authorities are replacing Kampuchians with Vietnamese in order to thoroughly colonize that country. According to the wishful thinking of the Vietnamese authorities, by killing off or driving out the Kampuchians to become refugees, the Vietnamese will gradually become the main residents in Kampuchea and its grain and rich natural resources will flow into Vietnamese hands. This criminal act has fully exposed the Vietnamese authorities' dirty and reactionary nature.

The colonial policy of the Vietnamese authorities cannot be successful. The Vietnamese hegemonists will fare no better than their feudal predecessors and the Western colonialists and imperialists in their efforts to subjugate the valiant and freedom-loving Kampuchean people who cherish independence.

ITALY

New Peak in Workers' Struggle

Since the beginning of this year, Italian workers and staff members have been struggling uninterruptedly for the signing of a new labour-capital contract. This upsurge constitutes a new peak in the workers' movement over the past three years with the hub of the struggle at the Fiat Automobile Plant. In order to check the workers' struggle, the capitalists stopped production, sacked 7,000 workers and ordered that Fiats produced abroad would be used to meet domestic sales. Dockers immediately rose to the support of the automobile workers. On July 2, dockers at Leghorn refused to unload Fiats from Brazil. Dockers throughout the country decided to do likewise, expressing their determination to fight until a new

contract was signed. The capitalists were thus compelled to resume negotiation on July 3 through the mediation of Labour Minister Scotti.

According to Italian practice, the workers and capitalists sign a collective contract every three years. The previous contract expired last December and the next three-year contract must be concluded this year. If no contract is signed the capitalists can freely sack the workers. By refusing the fair demands put forward by the workers and staff, the capitalists are deliberately prolonging the negotiations.

Indignant over the capitalists' unreasonable attitude, workers in metallurgical machinery factories and other industries adopted stronger measures. In addition to holding demonstrations, they also blocked factories, railway stations, railroads, highways, seaports and airports. The struggle has spread to the industrial areas in the northern and southern parts of Italy, paralysing thousands of factories. Train service to Switzerland and northern Europe was also suspended at one time.

This year's wave of workers' strikes was spurred by a steep rise in the cost of living and severe unemployment. Prices of consumer goods in May rose 1.3 per cent, up 14.5 per cent over the corresponding period of last year. The number of unemployed has now reached 1.6 million.

ISLAMIC CONFERENCE ORGANIZATION

Israeli Occupation of Jerusalem Opposed

Foreign Ministers from 12 Islamic countries voiced opposition to the Israeli occupation of

Jerusalem and demanded the recovery of the Arab people's sovereignty over the city at a meeting of the Jerusalem Committee of the Islamic Conference Organization held on July 2 and 3 in Fes, Morocco. They adopted a list of resolutions urging that the Islamic heads of state take steps to gain assistance from the non-aligned states and various other countries of the world for the cause of liberating Jerusalem and recovering Palestine.

As a centre of Islamic, Christian and Jewish pilgrimage, Jerusalem is called the "Holy City." It was put under the jurisdiction of the United Nations by a 1947 U.N. resolution on the "divided rule" of Palestine. But on May 15, 1948, the day after "Israel" was established, Zionists unleashed a war of aggression and occupied Jerusalem's modern city. Then in June 1967, during the third Mideast war, Israel seized the old city and proclaimed it as its "capital" in a bid to perpetuate its occupation of Jerusalem.

All the Islamic countries saw the occupation as a serious challenge to them. The Jerusalem Committee was set up in 1975 in Djedda, Saudi Arabia, during the Sixth Islamic Conference of Foreign Ministers. It was raised to a foreign ministerial level at the Tenth Islamic Conference of Foreign Ministers last May in Fes, with a view to handling the affairs involved in liberating Jerusalem. In addition, a special Jerusalem fund was set up.

The Islamic countries' united struggle against the occupation reflects the worldwide condemnation of Israel's policy of aggression and expansion.

● **Small Hydropower Stations**

Wherever water is falling such as along small mountain rivers and creeks and on canals small hydropower stations can be constructed. As they require a relatively small investment and produce quick results, these stations can be initiated by counties, communes or production brigades.

A county can use a generating capacity of 10,000 kw. to supply its residences with electricity for lighting as well as to build electric pumping stations for agricultural development and promote its industrial production. There are 12,000 small hydropower stations under construction throughout the country this year.

Now, 1,500 out of the more than 2,000 counties in China have their own small hydropower stations which number 88,000 and have a combined capacity of 5,380,000 kw. Nearly two-fifths of these counties depend mainly on such stations for their electric power. In 1978, electricity supplied by these stations in the nation reached 10,000 million kwh., over one-third of the total consumed by farm production.

China's water resources are plentiful. Following the principle of "walking on two legs," it is necessary to build big and medium-sized hydropower stations and small ones. The latter are needed for local industries and agricultural production while medium-sized and large stations are to meet the needs of bigger enterprises and undertakings.

For example, the Futian People's Commune of Wushan

County, Sichuan Province, runs 38 factories with power furnished by its small hydropower stations, turning out 4,000 tons of cement and 1,200 tons of pig iron annually. In some places of Tibet and Xinjiang, building small hydropower stations puts an end to the centuries-old custom of burning butter lamps and pine branches for light.

● **Tibetan Handicrafts**

There is a new display in Lhasa featuring a wide variety of traditional Tibetan handicrafts.

The exhibits include handwoven woollen cushions and mattresses, striped aprons in rainbow colours, local tweed, carpets, tapestries, gold trinkets, silverware, wooden and stone bowls, clay sculptures, paintings and embroidery.

Carpets and tapestries are decorated with traditional dragons, phoenixes and cranes, all symbols of good luck, as well as with Tibetan landscapes. Rings, earrings, silver bowls, cups and spoons are engraved with lively designs.

Stone bowls, known as "green jade bowls," are made of a stone found in Rinbung County of Xigaze Prefecture. The stone has beautiful natural designs that are visible when the translucent bowl is held up to the light.

Jedexoi District along the Yarlung Zangbo River has been producing the local tweed, and making it into large multicoloured striped aprons for 500 years.

The local government of the Tibet Autonomous Region



Traditional Tibetan striped aprons produced in Konggar County.

has attached great importance to developing a handicraft industry. Many necessary raw materials, machines and trucks have been provided by the state. Young Tibetans have gone to other parts of China to study bamboo crafts, jade and stone carving and porcelain production techniques.

● **Big Chemical Works Expanded**

New petrochemical projects are under construction at the Jilin Chemical Industry Company in northeast China. This enterprise has been one of China's biggest producers of chemical fertilizers, dyestuffs and calcium carbide.

The new projects include a synthetic alcohol installation from West Germany with an annual output of 100,000 tons and Japanese sets of equipment producing 80,000 tons of butadiene-styrene rubber and 50,000

tons of butanol and octanol annually. An ethylene workshop producing 115,000 tons a year, with equipment mainly designed and made in China, is also under construction.

When the butadiene-styrene rubber plant—the biggest in China—is completed, China's synthetic rubber output will go up by a big margin.

The new installations will use petroleum as raw materials. A new oil refinery now being built near the company will soon be completed.

Construction is well under way on eight auxiliary projects including a thermal power station, a water works and China's biggest waste water treatment installation which can handle all the waste water of the three existing plants and the new projects.

● **China's First Solar-Heated Building**

China's first building to be experimentally heated by solar energy is almost complete. The five-storey building in Xining has 3,000 square metres of floor space, with one-fifth heated by solar energy.

Xining, the capital of Qinghai Province, is cold as it stands at a high elevation and heating is necessary for five months of the

year. But it has long hours of sunshine and strong solar radiation in winter.

Heat from the collection panel installed on the roof of the building raises the temperature of air which is carried to warm certain rooms, and the surplus heat is stored by a device beside the panel. Heating is automatically controlled, ranging from 9 to 19 degrees centigrade.

Before this, China had only built small devices to heat water.

● **"Great Wall" Stamps Issued**

A set of four stamps were recently issued featuring China's Great Wall, an architectural wonder of the world.



Three of the stamps have a face value of eight fen, the fourth costs 60 fen. The stamps are 40 millimetres by 30 millimetres.

They show the Great Wall against a rolling pale purple landscape in early spring, surrounded by luxuriant greenery in summer, against a golden backdrop in autumn, and snow-capped in winter.

Stretching 6,000 kilometres over hilly terrain, the Great Wall extends from Shanhaiguan by the Bohai Bay in the east to Jiayuguan, a town in the far northwest.

To meet the needs of stamp collectors, a special stamp entitled "The Great Wall—Shanhaiguan" has also been issued. The stamp has a face value of two yuan and measures 140 millimetres by 78 millimetres.

(Continued from p. 26.)

tortured him for three months while interrogating him. To extort a confession out of him, special agents beat and tortured him, burned him with fire and lighted cigarettes, and tore out a fingernail and a toenail. The scars on his chest and legs are still visible. Nine years of mental and physical torture have ruined his health.

The despotic rule of the Israeli authorities has led to wider and wider resistance by the

people of the West Bank and the Gaza Strip. Between late 1975 and early 1976, there was a large-scale wave of protest by the people there. Rallying more firmly about the P.L.O., the people, including most members of the upper strata, have rejected the "self-rule" plan trotted out by the Israeli authorities and are fighting still more heroically for the restoration of their national rights.

— by "Guangming Ribao" correspondent Xu Shiquan



LETTERS FROM READERS

Many readers have suggested that we start a readers' column. Beginning with this issue we have the special column "Letters From Readers," which will appear from time to time with comments, suggestions and criticisms from our readers. For reasons of space, we shall publish only excerpts from some of these letters.

You are welcome to write to us and help us improve our weekly.
—Ed.

We are sure that *Beijing Review* has received many letters from its readers, which may be of interest to other readers as well. These letters may lead them to ponder or argue over certain questions, and may be helpful to their understanding, too. It'd be a good idea to publish some of the typical or important letters or passages, whether they are in the positive or in the negative.

You will not be able to answer all the letters, but obviously you shouldn't put them all aside without answering the important questions. Brief answers can be published in a special column for readers' letters, and you may publish special articles, as the occasion needs, answering the readers' questions.

A readers' group
Essen, W. Germany

A Big Weakness

I think there is a big weakness in *Beijing Review*. This is the fact that there isn't any column for letters from its readers. I

believe such a column is necessary.

Karamanidis Pavlos
Thessaloniki, Greece

I would suggest you open a readers' column in your periodical, so that readers in various parts of the world would be able to know each other's views and ideas.

J.K.K.M.
Eldoret, Kenya

Socialism and Democracy

You have published Premier Hua's Report on the Work of the Government in which he said that socialist democracy must be given full play, institutionalized and embodied in the laws. I am happy to learn this.

Since autumn last year, there have been contradictory reports and comments on China's socialist system, which have created confusion among the readers. The report given by Hua Guofeng has clearly pointed out that China will resolutely adhere to the socialist road and give full scope to socialist democracy. I'd like to express my appreciation at this policy.

Socialism and freedom (or democracy) are not contradictory or opposed to each other; they can exist side by side. And I think full democracy is possible only in a socialist society. I wish China will prove this by facts and explode the myth that democracy and freedom can only be realized in a capitalist society.

Tadashi Takahashi
Kanagawa, Japan

Frank About Difficulties

I appreciate the improvements you have made since the beginning of the year. I think your periodical has become more lively and is much richer in content. Now the readers can get some information about China's legal system, education, agriculture and other fields of work. Moreover, you have made known some of the difficulties confronting China. This is something not done before. The fact is that it is impossible for any country to make achievements without encountering difficulties. Everyone knows that in trying to accomplish the arduous task of modernization,

China will inevitably come up against difficulties.

Now we can read in *Beijing Review* that life in your country has returned to normal and that you are overcoming the confusion of the past few years. I am glad to learn this and cannot but express satisfaction at the successes you have achieved in modernizing your country. I rejoice every time I read that you've built a new dike, a new irrigation project or a new railway.

Dr. Peter Romen
Lochau, Austria

Use of Chinese Phonetic Alphabet

It is absolutely necessary to take measures to end the confusion of using different ways of Romanizing Chinese names. For instance, the name of Zhou En Lai, the late Premier, was written as Chou Enlai, Tschu En-lai, Schu Enlai, and so forth. The Chinese phonetic alphabet is not only accepted by the Chinese people but also approved by foreigners who wish to know more about China. Some publications in West Germany have already followed your *pinyin* system in part.

Georg Stawski
Recklinghausen, W. Germany

Origin of Pinyin

Since the most recent announcement of determination to convert to *pinyin*, Americans have been tumbling over each other in a rush to follow suit. While the change has not in any way upset me (I have been studying Chinese from the *pinyin*-based Beijing University books for two years now), it has raised a big question in my mind—this being how, by whom, and when the *pinyin* system was developed. We know plenty about Wade & Giles. I think all your readers would like to know more about the development of *pinyin*.

Fred Grant
Wellesley Hills, Ma, U.S.A.

The *pinyin* system (use of the Chinese phonetic alphabet) was introduced by the Committee for Reforming the Chinese Written Language and adopted by the State Council in 1957. It was officially promulgated and put into use in January 1958. —Ed.



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